

## Message Text

CONFIDENTIAL

PAGE 01 PERTH 00046 070354Z

66

ACTION EA-10

INFO OCT-01 ISO-00 EB-07 INT-05 PA-01 PRS-01 USIA-06

COME-00 OPIC-03 OES-03 NEA-09 OMB-01 TRSE-00 CIAE-00

INR-07 NSAE-00 RSC-01 GSA-01 /056 W

----- 062200

R 070259Z FEB 75

FM AMCONSUL PERTH

TO SECSTATE WASHDC 796

INFO AMEMBASSY CANBERRA

AMCONSUL BRISBANE

AMCONSUL MELBOURNE

AMCONSUL SYDNEY

C O N F I D E N T I A L PERTH 0046

E.O. 11652: GDS

TAGS: EAL, ECON, EMIN, EINV, AS

SUBJECT: WEST AUSTRALIAN (WA) STATE GOVERNMENT REACTION TO FEDERAL  
GOVERNMENT APPROVAL OF ALWEST ALUMINA REFINERY PROJECT

REF: CANBERRA 693; PERTH A-40 OCTOBER 21, 1974.

SUMMARY: INITIAL WA GOVERNMENT REACTION TO FEDERAL APPROVAL OF  
ALWEST PROJECT IS STRONG SKEPTICISM THAT PROJECT HAS ANY CHANCE  
OF SUCCEEDING DUE TO THE ENVIRONMENTAL CONTROL CONDITIONS.  
END SUMMARY.

1. EMBASSY CANBERRA REPORTED ANNOUNCEMENT OF FEDERAL GOVERNMENT  
APPROVAL FOR ALWEST IN REFTEL.

2. SINCE ANNOUNCEMENT, WA GOVERNMENT HAS TAKEN LARGELY NEGATIVE  
PUBLIC POSTURE REGARDING FUTURE OF PROJECT. PREMIER COURT,  
UPON RETURN TO AUSTRALIA FROM HIS OVERSEAS TRIP, FIRST STOPPED  
IN MELBOURNE FOR CONSULTATIONS WITH BROKEN HILL PROPRIETARY,  
CHIEF AUSTRALIAN PARTNER IN ALWEST. ALTHOUGH NO ANNOUNCEMENT  
MADE OF RESULTS OF THESE CONSULTATIONS, PREMIER AND OTHER STATE  
AUTHORITIES HAVE STATED PUBLICLY THAT FEDERAL APPROVAL OF LITTLE  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PERTH 00046 070354Z

VALUE DUE ENVIRONMENTAL STRINGS ATTACHED. IN PRESS CONFERENCE

UPON RETURN TO PERTH, COURT STATED THAT TEXT OF FEDERAL APPROVAL QUOTE IMPOSED CONDITIONS INTENDED NOT TO GET THE PROJECT OFF THE GROUND UNQUOTE AND THAT QUOTE IT APPEARS WHITLAM WANTS THE COMPANY AND THE STATE GOVERNMENT TO GO INTO THE PROJECT ON A BASIS OF LITERALLY NOT KNOWING WHAT THE COMMITMENTS WILL BE MADE FROM YEAR TO YEAR UNQUOTE.

3. CONSULATE HAS LEARNED FROM GUARDED REMARKS OF TWO MEMBERS OF PREMIER'S OVERSEAS MISSION THAT AN ENTIRELY NEW APPROACH TO PROJECT WILL BE REQUIRED AS A RESULT OF CONSULTATIONS IN U.S. WITH ALCOA AND REYNOLDS. WA INDUSTRIAL DEVELOPMENT COORDINATOR STATED THAT FEDERAL GOVERNMENT APPROVAL WOULD HAVE BEEN FINE A YEAR AGO BUT THAT NOW AN ENTIRELY NEW CONSORTIUM WOULD HAVE TO BE ORGANIZED. MITCHELL, PREMIER'S PRIVATE CONSULTANT, SAID PREMIER HAD GONE WAY BEYOND ORIGINAL CONCEPT AND THAT A NEW ARRANGEMENT WOULD NOW BE WORKED OUT BETWEEN ALCOA AND REYNOLDS WITH LATTER TAKING ALUMINA FROM ALCOA'S REFINERIES. PROBABLY REFLECTING PREMIER'S VIEWS, MITCHELL ADDED THAT REYNOLDS QUOTE NOT ALL THAT GOOD ANYWAY UNQUOTE AND THAT FEDERAL GOVERNMENT HAD NO BUSINESS LAYING DOWN ENVIRONMENTAL CONTROLS WHICH PROPERLY ARE A MATTER OF STATE JURISDICTION.

4. MEANWHILE PRESS REPORTS INDICATE THAT THE LONG DORMANT US\$465 MILLION PACMINEX BUAXITE/ALUMINA REFINERY PROJECT NORTH OF PERTH MOVING AHEAD MORE RAPIDLY WITH STRONG POSSIBILITY OF IRANIAN PARTICIPATION.

5. PREMIER HAS PROMISED REPLY TO WHITLAM ON ALWEST BY NEXT WEEK AND CONSULATE WILL REPORT ADDITIONAL DEVELOPMENTS.  
FOULON

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICIES, DEVELOPMENT PROGRAMS, MINING INDUSTRY, FOREIGN INVESTMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 FEB 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MartinML  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975PERTH00046  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750045-0010  
**From:** PERTH  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750262/aaaacduw.tel  
**Line Count:** 91  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 CANBERRA 693, 75 PERTH A-40, 75 OCTOBER 21, 75 1974  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MartinML  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 02 JUL 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <02 JUL 2003 by CunninFX>; APPROVED <12 NOV 2003 by MartinML>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** WEST AUSTRALIAN (WA) STATE GOVERNMENT REACTION TO FEDERAL GOVERNMENT APPROVAL OF ALWEST ALUMINA REFINERY PROJECT  
**TAGS:** EALR, ECON, EMIN, EINV, AS, US, REYNOLDS ALUMINUM  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006